



State of Utah

Department of Natural Resources

> MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT Acting Division Director JON M. HUNTSMAN, JR.

GARY R. HERBERT Lieutenant Governor

February 28, 2005

Preston Hafen Color Country Rock, LLC 3600 South 1700 East St. George, Utah 84790

Subject: <u>Fee Required for Notice of Intention to Commence Small Mining</u>
<u>Operations, Vermillion Mine, S/053/076, Washington County, Utah</u>

Dear Mr. Hafen:

On February 28, 2005, we received a copy of your Notice from the Bureau of Land Management (BLM) St. George Field Office, to commence mining for your Vermillion Mine. In performing a cursory review of the notice, we have assigned a file number S/053/076 for this Small Mining Operation (SMO).

We have a Memorandum of Agreement with the Utah State Historical Preservation Office (SHPO), wherein we have to notify them of any proposed activity in the state. SHPO then reviews the proposal to see if there are any archaeological or historical concerns in the area. We will forward a copy of your notice to them to begin their review process.

Before we can continue with the review of your SMO notice, we require payment of the permit fee. Small mines and/or exploration projects require an initial permit fee of \$150.00, which is due annually thereafter, on the Division's fiscal year (July 1-June 30) until the project is completed and you have received written release from this Division and any other land managing agency involved with the project (in this case, the BLM).

Please submit the \$150.00 fee within the next 10 days or by March 11, 2005 in order for us to continue our review of this notice. A billing statement is attached for this purpose. Failure to provide the fee within the specified timeframe will result in the Division denying your application, which may then be returned to you. Please be advised that **no mining or exploration activity is authorized**

Preston Hafen Page 2 of 2 S/053/076 February 28, 2005

until you have received written acceptance from this office as well as from the BLM.

If you have any questions regarding this letter, please contact me at (801) 538-5291 or Doug Jensen at 538-5382.

Sincerely,

Joelle Burns

Joelle Burns

Minerals Secretary

JB

Attachment: Billing Statement
cc: Rody Cox, BLM, St. George FO

O:\M053-Washington\S0530076-Vermillion\Final\initalfee.doc



Olene S. Walker Governor Robert L. Morgan Executive Director Lowell P. Braxton Division Director

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

COLOR COUNTRY ROCK 115 S MAIN VEYO UT 84782

ATTENTION: PRESTON HAFEN

Annual Permit Fees (July 2004 thru June 2005)		
ACRES	BILLING DATE	
NA	02/28/2005	
	ANNUAL FEE	
	\$ 150	

DUE DATE	AMOUNT DUE
02/28/2005	\$ 150

Please see enclosed instructions for payment.

Please retain this portion for your records. For billing Information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

ACCOUNT BILLED	PROJECT NAME	PROJECT ID
COLOR COUNTRY ROCK	VERMILLION MINE	S530076

DUE DATE | ANNUAL FEE | AMOUNT DUE | NEW PERMIT | 150 | TAX ID OR SOCIAL SECURITY #

DIVISION OF OIL GAS AND MINING 1594 WEST NORTH TEMPLE SUITE 1210 PO BOX 145801 SALT LAKE CITY UT 84114-5801

Change of Address			
Contact			
Address			
State	Zip		
Phone			

Please make check payable to:
Division of Oil, Gas and Mining